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December 9, 2005

**VIA HAND-DELIVERY**

Charles L. A. Terreni, Esq.  
Chief Clerk & Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive  
Columbia, South Carolina 29210

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Re: Docket No. 2005-383-E; Application for Approval of a Contract for Electric Service between South Carolina Electric & Gas Company (SCE&G) and Vought Aircraft Industries, Incorporated

Dear Mr. Terreni:

This is to acknowledge that the Office of Regulatory Staff (ORS) has reviewed the above referenced filing and has no objection to the proposed electric service contract between SCE&G and Vought Aircraft Industries, Inc. ("Vought"). The Vought facilities are being located in Charleston County, South Carolina near the Charleston International Airport.

This contract was executed under SCE&G's economic development program. These aircraft assembly facilities are expected to employ approximately 600 workers.

If the Commission is inclined to grant this request, ORS would recommend including a provision to require SCE&G to track any resulting foregone revenue and reserve the appropriate ratemaking treatment related to any foregone revenues for a future rate proceeding or review as determined by the Commission.

Thank you for the opportunity to provide our comments in this matter.

Sincerely yours,

John W. Flitter

JWF/sh

cc: Dan F. Arnett, Chief of Staff, SC ORS  
Florence Belser, General Counsel, SC ORS  
Patricia Banks Morrison, Senior Counsel, SCANA  
Dr. James Spearman, Executive Assistant, SCPSC  
F. David Butler, Esquire, SCPSC